

Department of Finance  <b>STATE OF CALIFORNIA MANUAL OF STATE FUNDS</b>		<b>Fund: 6038</b>  <b>PAGE 1</b> Renumbered From:
<b><u>Legal Title</u></b> Building Equity and Growth in Neighborhoods (BEGIN) Fund		
<b><u>Legal Citation/Authority</u></b> Chapter 724, Statutes of 2002 (AB 1170) Health and Safety Code section 50860		
<b><u>Fund Classification</u></b>  <b><u>GAAP Basis</u></b> Governmental/Special Revenue Funds		<b><u>Fund Classification</u></b>  <b><u>Legal Basis</u></b> Nongovernmental/Bond Funds
<b><u>Purpose</u></b> Chapter 26, Statutes of 2002 (AB 1227) enacted the Housing and Emergency Shelter Trust Fund Act of 2002, which authorized the issuance of bonds in the amount of \$2,100,000,000, for the purpose of financing various existing housing and code enforcement programs, and additional specified programs.  The Building Equity and Growth in Neighborhoods (BEGIN) Fund was established to deposit housing bond funds that offer grants to qualifying cities, counties, or cities and counties that provide incentives or reduce or remove regulatory barriers to affordable housing.  These grants will be used to provide assistance in the form of 2 <sup>nd</sup> mortgage loans for down payment purposes to qualifying first-time homebuyers of low- and moderate-incomes purchasing newly constructed homes in a BEGIN project.  No more than 5 percent of the funds deposited in the BEGIN fund may be used to pay the costs of the administration of this chapter.		
<b><u>Administering Agency/Organization Code</u></b> Department of Housing and Community Development/Org 2240		
<b><u>Major Revenue Source</u></b> Transfer of \$75,000,000 from the Housing and Emergency Shelter Trust Fund to allocate proceeds from the sale of bonds (Proposition 46).		
<b><u>Disposition of Fund (upon abolishment)</u></b> Any unencumbered cash balances remaining in this fund after all obligations have been satisfied shall be transferred to the Housing and Emergency Shelter Trust Fund, 6037.		
<b><u>Appropriation Authority</u></b> The money in this fund is available upon appropriation by the Legislature.		

**DOF - MANUAL OF STATE FUNDS**

Building Equity and Growth in Neighborhoods  
(BEGIN) Fund

**FUND 6038****PAGE 2****State Appropriations Limit**

**Always Excluded** – Revenues in this fund are bond proceeds and therefore are not proceeds of taxes and even after transfer, will never become proceeds of taxes.

**Comments/Historical Information**